



DeKalb County SPLOST Information

Q: **What is a SPLOST?**

A: A Special Purpose Local Option Sales Tax, or SPLOST, is a sales and use tax that is levied by local governments to fund capital projects, such as transportation projects, the construction or repair of roads, bridges, parks and recreational facilities, libraries, and other improvements. With the passage of [House Bill 215](#), the State enabled DeKalb County to pursue a SPLOST through referendum.

Q: **What is a referendum?**

A: A referendum is a general vote by the electorate to resolve a political question referred to them for direct decision.

Q: **How is a SPLOST approved?**

For a SPLOST to be approved, several steps must be completed. First, the County will develop a project list through an extensive public input process that demonstrates how SPLOST funds will be spent. Second, the Board of Commissioners must approve the project list, along with a resolution to place the SPLOST and Equalized HOST on the ballot. Finally, a majority of voters have to approve the SPLOST and Equalized HOST. The SPLOST will only become effective if both SPLOST and Equalized HOST are approved by a majority of voters. If either SPLOST or Equalized HOST is not approved, neither will be enacted.

SPLOST AND EQUALIZED HOST APPROVAL PROCESS



Q: **When would SPLOST sales tax collections begin if the SPLOST and Equalized HOST are approved?**

A: Sales tax collections for the new SPLOST would begin on April 1, 2017 if the SPLOST and Equalized HOST are approved by a majority of voters

Q: **When will residents vote on the proposed SPLOST referendum?**

A: The County plans to hold a SPLOST referendum on Tuesday, November 8, 2016.



Q: **What is the difference between a SPLOST and an E-SPLOST? Can SPLOST funds be used to build schools or other school projects?**

A: SPLOST is a Special Purpose Local Option Sales Tax that was enacted by state law in 1985, and is governed by O.C.G.A §§ 48-8-80, 48-8-96. It is an optional financing mechanism utilized by qualified municipal government to collect a one cent tax; proceeds are used to address capital improvement needs of that municipal government. A Special Purpose Local Option Sales Tax for educational purposes, or E-SPLOST, is a sales and use tax that is collected to fund capital improvement needs for school districts, and is governed by O.C.G.A. §§ 48-8-140, 48-8-144. SPLOST funds are not used to build schools, however SPLOST funds can be used to build sidewalks that connect schools to neighborhoods, parks, and other green space.

Q: **Is SPLOST levied on all purchases, including groceries and gasoline?**

A: In general, Georgia imposes a sales and use tax on the retail sales price of tangible goods and certain services. The tax is collected in the county on items subject to the state sales and use tax, including the sale of motor fuels as defined in O.C.G.A. 48-9-2. A SPLOST is also imposed on the sale of food and beverages, which are not subject to the state sales tax O.C.G.A. 48-8-3(57)(D)(i)

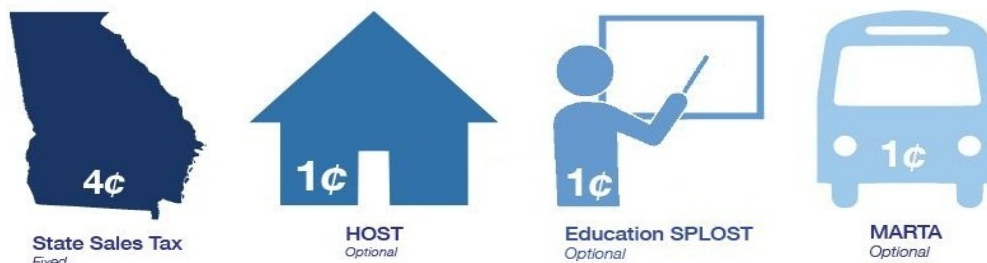
<http://dor.georgia.gov/what-subject-sales-and-use-tax>

Q: **How long will the SPLOST last?**

A: The SPLOST can be assessed for 5 or 6 years, depending on what is approved by the DeKalb County Board of Commissioners and the approval of intergovernmental agreements between the County and its municipalities. The County is seeking intergovernmental agreements with all municipalities, though they are not required by law.

Q: **What sales taxes are currently levied in DeKalb County?**

A: The sales tax in DeKalb County is currently 7% except for the City of Atlanta in DeKalb, where the sales tax is 8%. In all parts of DeKalb County outside the City of Atlanta in DeKalb, the following sales taxes are assessed:





Q: **Will cities in DeKalb County receive SPLOST revenue?**

A: Each municipality in DeKalb County will directly receive a pro-rated share of SPLOST revenue based on its population as measured by the 2010 census. Like the County, the Cities will use this revenue to fund capital improvement projects, such as transportation projects, road resurfacing, parks and recreational facilities, and facility construction and repair, among others.

Q: **If revenue will be divided by population between DeKalb County and its cities, what is the purpose of establishing Intergovernmental Agreements (IGAs) between DeKalb County and its cities?**

A: First, creating an intergovernmental agreement will provide an opportunity for DeKalb County to approve a single project list for cities and unincorporated areas for voters to consider in the November 8, 2016 referendum. Second, creating an IGA will be consistent with O.C.G.A Article 3, Chapter 8, Title 48, which governs SPLOST. Finally, if the County enters into an IGA with each of its municipalities (excluding the City of Atlanta), it will be able to pursue a six year SPLOST rather than a five year SPLOST.



Q: **How much revenue is SPLOST projected to generate for capital projects?**

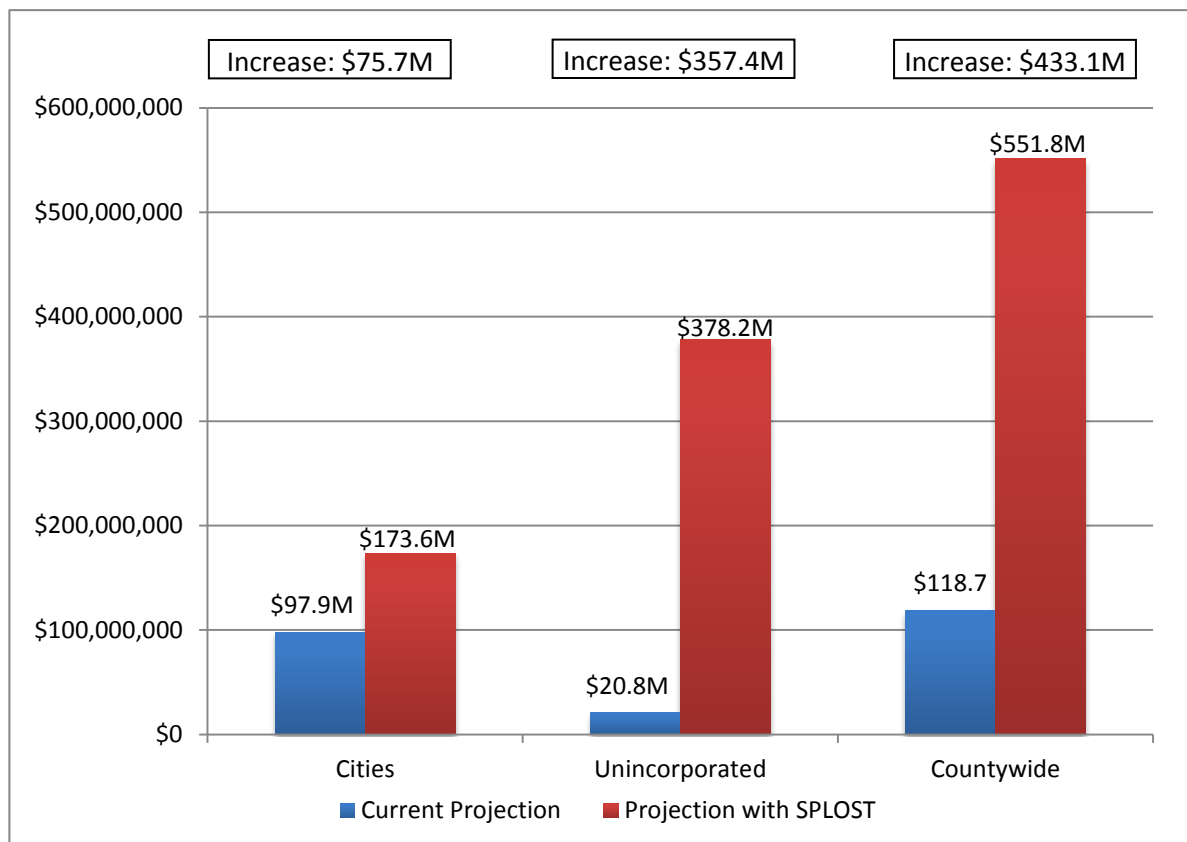
A: Countywide, SPLOST is projected to generate approximately \$551.8 million for capital projects in its first five years if SPLOST and E-HOST are approved. Unincorporated areas are projected to receive approximately \$378.2 million, while DeKalb's cities are projected to receive approximately \$173.6 million.

Q: **How much revenue will SPLOST generate for capital projects relative to current projections?**

A: The existing HOST is projected to generate \$118.7 million over the next five years to be divided between capital projects in unincorporated areas and equalization payments to cities. If adopted, SPLOST revenue would increase capital funding countywide by \$433.1 million over the next five years.

Capital funding for unincorporated areas would increase by approximately \$357.4 million. Capital funding for cities would increase by approximately \$75.7 million. The graph below shows projected 5-year capital funding based on current projections compared to projections with SPLOST for cities, unincorporated areas, and countywide.

**Five-Year Capital Funding:
Current Projection vs. Projection with SPLOST**





Q: For what types of projects can SPLOST revenue be used?

A: SPLOST proceeds can only be used to fund capital outlay projects. SPLOST proceeds may not be used for maintenance or operations cost related to the proposed SPLOST projects or any previously approved projects.

- **Infrastructure**, such as roads, streets, and bridges, which may include sidewalks or bicycle paths; water, sewer, or stormwater projects.
- **Facilities**, including courthouses or administrative buildings; a civic center; a local or regional jail, correctional institution, or other detention facility; a library; a coliseum; local or regional solid waste handling facilities; local or regional recovered materials processing facilities; public safety or airport facilities, or both, or related capital equipment used to operate such facilities; a cultural, recreational, or historic facility or a facility for some combination of these purposes; a transportation facility designed for the transportation of people or goods, including but not limited to railroads, port and harbor facilities, mass transportation facilities, or any combination thereof.

Although O.C.G.A §48-8-111(a)(1) contains a list of specific types of projects which are eligible for SPLOST funding, counties and municipalities are not limited to that list and may fund any capital project so long as it is owned or operated by a county, qualified municipality, or local authority O.C.G.A §48-8-111(a)(1)(D). Essentially, this provision gives counties and municipalities complete discretion over the type of capital project selected.

<http://www.lexisnexis.com/hottopics/gacode/>

Q: How will SPLOST projects be selected?

A: The County has established a SPLOST Citizen Advisory Committee that will review the County's unconstrained project list and create a recommended SPLOST Project List with a total projected cost equal to the 5-year SPLOST revenue estimate. The SPLOST Citizen Advisory Committee will prioritize projects based on public input, availability of matching funds, alignment with county strategic priorities, and other considerations, and then present the list to the County Board of Commissioners for final approval.



Q: Are counties and cities bound to the project list adopted by the Board of Commissioners and City Councils?

A: SPLOST revenue may only be spent on voter-approved capital projects. SPLOST funds can only be used for capital outlay purposes specifically included in the ballot language and approved by the voters. Neither the DeKalb County Board of Commissioners nor participating municipalities can add or remove projects after voter approval of the referendum. Since project costs are estimates, each local government receiving SPLOST revenues may shift funds among their approved projects as long as all projects are completed.

If funds derived from the SPLOST exceed initial estimates, SPLOST funds may be used to pay off existing general obligation debt of the County and returned to taxpayers if none exists.

Q: How do I participate in the public input process?

A: All residents are invited to participate in the public input process by providing [public comment](#) online and by offering feedback at the SPLOST Citizen Advisory Committee meetings. To see a complete schedule of SPLOST Citizen Advisory Committee meetings, [CLICK HERE](#).

Q: If I live in an incorporated city in DeKalb County, how will my projects be selected?

A: Each municipality will be responsible for developing its own public input and project selection process. The County is reaching out to its municipalities to collaborate on projects that will leverage city and county funding.

Q: Is the SPLOST a new tax?

A: The SPLOST is not a new tax, however, if approved it would be new to DeKalb County. Counties in the Metro Atlanta region have utilized SPLOSTs to fund transportation, parks, and other capital improvements for decades. The Georgia Legislature first authorized this tax in 1985, and Gwinnett County approved its first SPLOST that same year. For more information on SPLOST in Gwinnett and Cobb Counties, visit their websites:

[Gwinnett County SPLOST](#)

[Cobb County SPLOST](#)



Q: **If the SPLOST is approved, how will DeKalb County's sales tax compare with neighboring counties?**

A: If the SPLOST is approved, DeKalb County's sales tax rate will be 8%, equal to Clayton County and the City of Atlanta, but higher than Cobb County, Gwinnett County, and Fulton County (excluding the City of Atlanta).



Q: **What happens if SPLOST revenues are not sufficient to pay for all projects on the adopted list?**

A: The final project list recommended by the SPLOST Citizen Advisory Committee and approved by the Board of Commissioners will rank projects according to priority. If SPLOST funds received do not meet original estimates and not all projects can be funded, the lowest priority projects will not be funded.